OO RUEHAG RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSL RUEHSR DE RUEHTH #0075/01 0341610 ZNY CCCCC ZZH O R 031609Z FEB 10 FM AMEMBASSY ATHENS TO RUEHC/SECSTATE WASHDC IMMEDIATE 1468 INFO EUROPEAN POLITICAL COLLECTIVE RUCNDT/USMISSION USUN NEW YORK 0065 RUEHAD/AMEMBASSY ABU DHABI RUEHAM/AMEMBASSY AMMAN 0002 RUEHBJ/AMEMBASSY BEIJING 0008 RUEHCV/AMEMBASSY CARACAS RUEHDO/AMEMBASSY DOHA 0001 RUEHKM/AMEMBASSY KAMPALA RUEHKU/AMEMBASSY KUWAIT 0002 RUEHLB/AMEMBASSY BEIRUT 0001 RUEHLC/AMEMBASSY LIBREVILLE 0002 RUEHME/AMEMBASSY MEXICO RUEHMK/AMEMBASSY MANAMA 0001 RUEHMS/AMEMBASSY MUSCAT RUEHRH/AMEMBASSY RIYADH 0009 RUEHSI/AMEMBASSY TBILISI 0007 RUEHUJA/AMEMBASSY ABUJA

C O N F I D E N T I A L SECTION 01 OF 03 ATHENS 000075

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DEPT FOR NEA/FO - ELISA CATALANO, ISN/RA - RICHARD NEPHEW AMEMBASSY ANKARA PASS TO AMCONSUL ADANA AMEMBASSY ASTANA PASS TO AMCONSUL ALMATY AMEMBASSY BERLIN PASS TO AMCONSUL DUSSELDORF AMEMBASSY BERLIN PASS TO AMCONSUL LEIPZIG AMEMBASSY BELGRADE PASS TO AMEMBASSY PODGORICA AMEMBASSY HELSINKI PASS TO AMCONSUL ST PETERSBURG AMEMBASSY ATHENS PASS TO AMCONSUL THESSALONIKI AMEMBASSY MOSCOW PASS TO AMCONSUL VLADIVOSTOK AMEMBASSY MOSCOW PASS TO AMCONSUL YEKATERINBURG

E.O. 12958: DECL: 2020/02/03 TAGS: <u>PREL PARM UNSC IR CH VE GR</u>

SUBJECT: (C) GREECE/IRAN: CHINA KEY TO EFFECTIVE PRESSURE

REF: STATE 9124

CLASSIFIED BY: Daniel V. Speckhard, Ambassador; REASON: 1.4(B), (D)

11. (C) SUMMARY. The Ambassador delivered reftel points to Alternate FM Dimitri Droutsas January 30, stressing the U.S. commitment to diplomacy, outlining the need to begin ramping up pressure on Iran given its failure to engage constructively, and urging Greece to consider what it could do bilaterally to advance the international community's goals. Droutsas took the message on board, but had no substantive comment. The DCM followed up with the head of the MFA's Middle East Directorate on February 2, who noted the importance of a UNSC lead, argued for carefully calibrated sanctions that targeted the Iranian regime and not Iranians, stated that China was the key to meaningful sanctions, and expressed incredulity at the recent U.S. sale of weapons to Taiwan at a time when China's cooperation was needed on Iran at the UN. Dimidis also suggested three courses of action, and provided some glimpses inside the exchange between PM Papandreou and Ahmedinejad in their December 18 meeting on the margins of the Copenhagen Climate Summit. END SUMMARY.

Alternate FM Mum on Iran with Ambassador

¶2. (C) In a January 30 meeting with Alt/FM Droutsas on the eve of Droutsas' travel to the U.S. for Washington meetings (septel), Ambassador Speckhard delivered reftel demarche. The Ambassador

walked Droutsas through the history that culminated in Iran's October 1, 2009 Geneva commitments, and the lack of subsequent follow through. He assured Droutsas of the United States continuing desire to achieve a diplomatic solution, but highlighted the need for pressure now as a parallel action that appears increasingly necessary. While stating the need for a new UNSC Resolution, the Ambassador also told Droutsas that the U.S. seeks to work with Greece to outline measures we could take on a national basis to advance the international community's goals and demonstrate our seriousness to Iran. Droutsas was surprisingly quiet, taking the message onboard but offering no substantive reply. (Comment: Droutsas' boss, PM and official Foreign Minister George Papandreou, maintains ties with Ahmedinejad via Papandreou's continuing position as President of the Socialist International. Papandreou met with Ahmedinejad on the margins of the Copenhagen Summit in December 2009, in his capacity as SI President. The Greeks have offered repeatedly to serve as a conduit should messages need to be passed to the Iranians. Droutsas also said he had a brief discussion with the Secretary on Iran on the margins of the London Conference. End Comment.)

MFA: Focused on China and Targeting the Iranian Regime, not Citizens

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¶3. (C) DCM McCarthy followed up the contact and stressed a similar message on February 2 with the MFA's Middle East Director Themistoklis Dimidis. He dismissed any potential international sanctions as ineffective without Chinese participation. "The market is open in China," he stated, asserting that any excess Iranian oil supply created by international sanctions that lacked Chinese participation would simply flow directly to China. He also pointed to India and the Gulf States as additional beneficiaries of sanctions if the West implemented a regime, with selective international participation. Noting the recent announcement of pending U.S. arms sales to Taiwan and China's reaction, Dimidis incredulously shared his view that the U.S. appears to have angered China greatly right at the moment China's cooperation at the UN on Iran was needed.

- 14. (C) In response to a question, Dimidis stated that he and the Greek Embassy in Tehran believe that Iran does view the West's seriousness of purpose and threats of increased pressure as credible, but that Iranian leadership also believes that China will not follow that position at the UN at the end of the day. He speculated that Iran must believe that China's intense demand for oil will guide the Chinese position throughout. He suggested that China's position could shift were it assured of an alternate energy source to meet its demand should Iran be sanctioned, such as from Saudi Arabia or Qatar.
- 14. (C) DCM also raised the issue of Iranian repression. Dimidis stated that any change in Iranian society will come from within, "as we have observed over the past year." He urged that sanctions not ultimately target the Iranian people. We must be sure sanctions are not counterproductive, he stated, pointing to the regime's control of the media, and the certainty that regime elites would simply siphon off resources from the population and blame the West should sanctions start to hurt. "You can be sure Ahmedinejad won't go hungry," he concluded.

¶5. (C) The DCM noted our interest in working with Greece and other nations on additional actions we could take on a national basis to demonstrate our seriousness to Iran. The previously loquacious Dimidis had no comment. Asked for Greek thoughts or suggestions on next steps, he suggested three factors to address: first, disrupt the Venezuelan-Iranian gasoline refining relationship, as Iran cannot refine sufficient quantities of gasoline domestically; second, focus on creative packages that meet China's economic interests to get Chinese buy-in at the UN; third, pressure the Gulf States to stop bargaining with Iran.

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16. (C) Responding to a question about PM Papandreou's mid-December meeting with Ahmedinejad in Papandreou's capacity as President of the Socialist International, Dimidis acknowledged that despite the clear message that Papandreou was not meeting him as the Greek PM, Iranian media outlets seized the opportunity to publicize a meeting with a European leader. (Comment: Greeks understand that Ahmedinejad also met Turkish President Gul and the Singaporean PM on the margins of Copenhagen, as well. End comment.) Nevertheless, Dimidis believed that while the Iranians may not trust the Greeks fully, they do listen to Greece more than in comparison with other European nations. Dimidis stated that in his meeting with the PM, Ahmedinejad had railed against western designs to control Iranian oil, as well as the familiar themes of the Shah and UK meddling. For his part, Dimidis relayed that PM Papandreou had urged Iran to comply with the IAEA, and seize the opportunity presented by President Obama's more constructive policies than those of his predecessor. Speckhard